

22 May 2009

Companies Announcement Office
Australian Securities Exchange Limited
Level 6
20 Bridge Street
Sydney NSW 2000

Via E-lodgement

SETTLEMENT OF THE ACQUISITION OF ERIS MINING (PTY) LTD

Avonlea Minerals Limited (“Avonlea” or ‘the Company’) advises that the acquisition of 95% of Eris Mining (Pty) Ltd (“Eris Mining”) has now been finalised with all Conditions Precedent being satisfied. The Appendix 3B in respect of the issue of the settlement securities is now attached.

As part of the settlement, Avonlea is pleased to welcome Mr Hamish Halliday to the Board as a non-Executive Director and Mr Steve Parsons as his alternate. Both Mr Halliday and Mr Parsons have significant African exploration experience; their ongoing involvement represents an important level of continuity in respect to Avonlea’s exploration focus in Namibia. An Appendix 3X is attached in respect to these appointments.

Yours Faithfully



David Riekie

MANAGING DIRECTOR

For further information please contact:

David Riekie, Managing Director +61 8 9287 5900
david.riekie@avonleaminerals.com.au +61 419 994 301

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Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

AVONLEA MINERALS LIMITED

ABN

81 125 176 703

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|---|
| 1 | +Class of +securities issued or to be issued | Ordinary Fully Paid Shares;
Converting Performance Shares; and
Unlisted Options |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 7,125,000 Ordinary Fully Paid Shares;
14,250,000 Converting Performance Shares; and
21,375,000 Unlisted Options |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | 7,125,000 Ordinary Fully Paid Shares (voluntary escrowed for 12 months);

14,250,000 Converting Performance Shares convertible into 14,250,000 Ordinary Fully Paid Shares on the achievement of the Conversion Milestones as defined in the Notice of Meeting dated 20 March 2009 (Schedule 1); and

21,375,000 Unlisted Options (7,125,000 Options exercisable at 20 cents within 5 years from date of issue; 7,125,000 Options exercisable at 30 cents within 5 years from date of issue; 7,125,000 exercisable at 45 cents from date of issue). 21,375,000 Unlisted Options vest upon the achievement of the performance milestones as defined in the Notice of Meeting dated 20 March 2009 (Schedule 2) voluntary escrowed for 12 months from date of conversion. |

<p>4 Do the ⁺securities rank equally in all respects from the date of allotment with an existing ⁺class of quoted ⁺securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>Yes – Ordinary Fully Paid Shares.</p> <p>The Options and Converting Performance Shares will rank equally on the conversion of these securities into Fully Paid Ordinary Shares.</p>				
<p>5 Issue price or consideration</p>	<p>The Ordinary Fully Paid Shares, Options and Converting Performance Shares were issued as part consideration for the acquisition of Eris Mining (Pty) Ltd.</p>				
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>See 5 above.</p> <p>The issue of the Ordinary Fully Paid Shares, Converting Performance Shares and Unlisted Options were approved by Shareholders at the Company's General Meeting on 30 April 2009.</p>				
<p>7 Dates of entering ⁺securities into uncertificated holdings or despatch of certificates</p>	<p>22 May 2009</p>				
<p>8 Number and ⁺class of all ⁺securities quoted on ASX (including the securities in clause 2 if applicable)</p>	<table border="1"> <thead> <tr> <th data-bbox="624 1489 895 1525">Number</th> <th data-bbox="900 1489 1252 1525">⁺Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="624 1532 895 1753">41,075,000*</td> <td data-bbox="900 1532 1252 1753">Ordinary Fully Paid Shares</td> </tr> </tbody> </table>	Number	⁺ Class	41,075,000*	Ordinary Fully Paid Shares
Number	⁺ Class				
41,075,000*	Ordinary Fully Paid Shares				

* 7,900,000 Ordinary Fully Paid Shares subject to Escrow until 7 September 2009

+ See chapter 19 for defined terms.

	Number	+Class
9	Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	
	7,000,000	Options (20 cents, 31 May 2012)
	2,500,000	Options (15 cents, 31 August 2013)
	2,500,000	Options (20 cents, 31 August 2013)
	2,500,000	Options (25 cents, 31 August 2013)
	2,500,000	Options (30cents, 31 August 2013)
	2,500,000	Options (45 cents, 31 August 2013)
	400,000	Options (10 cents, 31 March 2014)
	14,250,000	Converting Performance Shares
	7,125,000	Options (20 cents, 22 May 2014)
7,125,000	Options (30 cents, 22 May, 2014)	
7,125,000	Options (45 cents, 22 May 2014)	

10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	The Directors do not anticipate declaring a dividend in the foreseeable future
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Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	N/A
12	Is the issue renounceable or non-renounceable?	N/A
13	Ratio in which the +securities will be offered	N/A
14	+Class of +securities to which the offer relates	N/A

15	+Record date to determine entitlements	N/A
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A
17	Policy for deciding entitlements in relation to fractions	N/A
18	Names of countries in which the entity has +security holders who will not be sent new issue documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	N/A
19	Closing date for receipt of acceptances or renunciations	N/A
20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	N/A
25	If the issue is contingent on +security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	N/A

+ See chapter 19 for defined terms.

27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/A
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do ⁺ security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do ⁺ security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A
32	How do ⁺ security holders dispose of their entitlements (except by sale through a broker)?	N/A
33	⁺ Despatch date	N/A

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(tick one)

(a) Securities described in Part 1

(b) All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or

documents

- 35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over
- 37 A copy of any trust deed for the additional +securities

+ See chapter 19 for defined terms.

Entities that have ticked box 34(b)

38 Number of securities for which
+quotation is sought

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39 Class of +securities for which
quotation is sought

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40 Do the +securities rank equally in
all respects from the date of
allotment with an existing +class
of quoted +securities?

If the additional securities do not
rank equally, please state:

- the date from which they do
- the extent to which they
participate for the next
dividend, (in the case of a
trust, distribution) or interest
payment
- the extent to which they do
not rank equally, other than in
relation to the next dividend,
distribution or interest
payment

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41 Reason for request for quotation
now

Example: In the case of restricted securities, end
of restriction period

(if issued upon conversion of
another security, clearly identify
that other security)

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	Number	+Class
42 Number and +class of all +securities quoted on ASX (including the securities in clause 38)		

Quotation agreement

1 +Quotation of our additional +securities is in ASX’s absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here:Date: 22May 2009
(Managing Director)

Print name: David Riekie

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+ See chapter 19 for defined terms.

Appendix 3X

Initial Director's Interest Notice

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 30/9/2001.

Name of entity	AVONLEA MINERALS LIMITED
ABN	81 125 176 703

We (the entity) give ASX the following information under listing rule 3.19A.1 and as agent for the director for the purposes of section 205G of the Corporations Act.

Name of Director	HAMISH PETER HALLIDAY
Date of appointment	22 MAY 2009

Part 1 - Director's relevant interests in securities of which the director is the registered holder

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Note: In the case of a company, interests which come within paragraph (i) of the definition of "notifiable interest of a director" should be disclosed in this part.

Number & class of securities
Refer to Part 2

+ See chapter 19 for defined terms.

Appendix 3X
Initial Director's Interest Notice

Part 2 – Director's relevant interests in securities of which the director is not the registered holder

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Name of holder & nature of interest	Number & class of Securities
<small>Note: Provide details of the circumstances giving rise to the relevant interest.</small>	
Black Peak Holdings Pty Ltd (Director & Beneficiary)	3,120,000 Ordinary Fully Paid Shares (escrowed for 12 months) 6,240,000 Converting Performance Shares 3,120,000 Options (20 cents, 22 May 2014) 3,120,000 Options (30 cents, 22 May 2014) 3,120,000 Options (45 cents, 22 May 2014)
McTavish Industries Pty Ltd (Director & Beneficiary)	1,500,000 Ordinary Fully Paid Shares (escrowed for 12 months) 500,000 Converting Performance Shares 1,500,000 Options (20 cents, 22 May 2014) 1,500,000 Options (30 cents, 22 May 2014) 1,500,000 Options (45 cents, 22 May 2014)

Part 3 – Director's interests in contracts

Note: In the case of a company, interests which come within paragraph (ii) of the definition of "notifiable interest of a director" should be disclosed in this part.

Detail of contract	
Nature of interest	
Name of registered holder (if issued securities)	
No. and class of securities to which interest relates	

+ See chapter 19 for defined terms.

Appendix 3X

Initial Director's Interest Notice

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 30/9/2001.

Name of entity	AVONLEA MINERALS LIMITED
ABN	81 125 176 703

We (the entity) give ASX the following information under listing rule 3.19A.1 and as agent for the director for the purposes of section 205G of the Corporations Act.

Name of Director	STEVEN ANDREW PARSONS
Date of appointment	22 MAY 2009

Part 1 - Director's relevant interests in securities of which the director is the registered holder

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Note: In the case of a company, interests which come within paragraph (i) of the definition of "notifiable interest of a director" should be disclosed in this part.

Number & class of securities
Refer to Part 2

+ See chapter 19 for defined terms.

Appendix 3X
Initial Director's Interest Notice

Part 2 – Director's relevant interests in securities of which the director is not the registered holder

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Name of holder & nature of interest	Number & class of Securities
<small>Note: Provide details of the circumstances giving rise to the relevant interest.</small>	
Black Peak Holdings Pty Ltd (Director & Beneficiary)	3,120,000 Ordinary Fully Paid Shares (escrowed for 12 months) 6,240,000 Converting Performance Shares 3,120,000 Options (20 cents, 22 May 2014) 3,120,000 Options (30 cents, 22 May 2014) 3,120,000 Options (45 cents, 22 May 2014)
Symorgh Investments Pty Ltd <The Symorgh Trust> (Director & Beneficiary)	1,500,000 Ordinary Fully Paid Shares (escrowed for 12 months) 500,000 Converting Performance Shares 1,500,000 Options (20 cents, 22 May 2014) 1,500,000 Options (30 cents, 22 May 2014) 1,500,000 Options (45 cents, 22 May 2014)
Symorgh Investments Pty Ltd <Symorgh Super Fund> (Director & Beneficiary)	70,000 Ordinary Fully Paid Shares

Part 3 – Director's interests in contracts

Note: In the case of a company, interests which come within paragraph (ii) of the definition of "notifiable interest of a director" should be disclosed in this part.

Detail of contract	Not applicable
Nature of interest	
Name of registered holder (if issued securities)	
No. and class of securities to which interest relates	

+ See chapter 19 for defined terms.